

1 September 1982

NOTE TO: Deputy Director for Administration

FROM: Director of Central Intelligence

SUBJECT: Redirection of Project SAFE

REFERENCE: Memo to DCI dated 27 July 1982 from  
DDA and Vice Assistance Director (R&S),  
DIA Requesting Approval of Project SAFE

Harry:

As you will note from my comment upon approval of your recommendations for redirection of Project SAFE, I have approved the recommendations based on your representations that the [ ] problem is on the way to final resolution. I was particularly concerned with the allegations [ ] of [ ] made concerning Government impropriety relating to Project SAFE. However, as I understand it, [ ] of [ ] has advised you that [ ] has withdrawn those unfounded allegations.

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I understand that the problem of disposing of the [ ] hardware is being amicably settled. Your efforts to arrange for its productive use elsewhere in the Intelligence Community are greatly appreciated. Now that the remaining [ ] concern is only with the allowable costs owed by [ ] to [ ] on the subcontract, I believe the difficulties of proceeding with the redirection have been appropriately resolved. I recognize that it will take some time to sort out and establish the validity of contract and subcontract cost claims by [ ] and [ ] but we need to get on with this important Project.

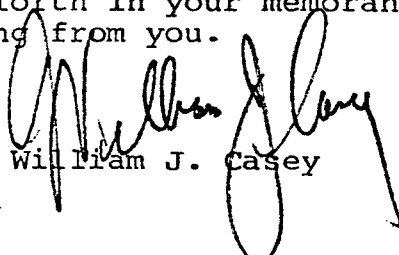
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Accordingly, since the steps that have been taken are in line with the memorandum I received from the General Counsel dated 5 August 1982, I am approving your plan for redirecting the SAFE Project as outlined in your memorandum to me of 27 July 1982. If there are any changes with respect to any of the matters set forth in your memorandum, I would very much appreciate hearing from you.

  
William J. Casey

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82-0538/48

27 JUL 1982

MEMORANDUM FOR: Director of Central Intelligence  
Director, Defense Intelligence Agency

FROM : Harry E. Fitzwater  
Deputy Director for Administration/CIA

[Redacted]

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Vice Assistant Director for Resources and Systems/DIA

SUBJECT : SAFE

REFERENCE : DDA Memo to DCI of 25 June 1982, same subject  
(DDA 82-0538/35).

1. This memorandum transmits four documents on the SAFE Project. Tab A provides general background, with emphasis on project activities since the completion of the audit in April, 1982. Tab B is a status report on actions taken subsequent to the meeting with the DCI on 22 June. Tab C outlines the management procedures we propose to use to ensure effective control of this effort. Tab D contains recommendations for your consideration and approval.

2. As indicated in the earlier report prepared by [Redacted] in response to your request, and as further mentioned in portions of Tab B, the number of technical details to be studied and the complexity of the problem we are trying to solve require a more exhaustive study than can be carried out in thirty days. The evaluation phase continues, with a target completion date of late September. We are still projecting a design review in February 1982. In order to proceed with the evaluation and the design, we need your approval of the development approach outlined in the attachments.

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3. If you concur with our findings, we request your initial in the appropriate space below. We are ready to meet at your convenience, either to brief [Redacted] attachments or to answer any questions you may have.

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[Redacted]  
Harry E. Fitzwater

Coordination:

[Redacted]

\_\_\_\_\_  
John McMahon

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The recommendations in Tab D are:

Director of Central Intelligence

Director,  
Defense Intelligence Agency

Approved \_\_\_\_\_

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Disapproved \_\_\_\_\_

This document becomes UNCLASSIFIED  
when separated from attachment

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